

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Forest Post Office
Forest, Louisiana 71242

Docket No. A2012-19

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(December 13, 2011)

On October 18, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked, October 7, 2011, from postal customer John L. Whorton (Petitioner), objecting to the discontinuance of the Post Office at Forest, Louisiana. Subsequently, on October 21, 2011, the Commission received an appeal letter from postal customer, Shonya Meshal Driver ("Petitioner Driver"). On October 24, 2011, the Commission issued Order No. 923, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 923, the administrative record was filed with the Commission on November 2, 2011. A duplicate of Petitioner Driver's appeal letter that was filed with the Commission on October 21, 2011, was also docketed on November 15, 2011. On November 16, 2011, Petitioner Whorton filed a Form 61, Participant Statement, in support of his petition. The following is the Postal Service's answering brief in support of its decision to discontinue the Forest Post Office.

The appeals and the Participant Statement received by the Commission raise three main issues: (1) the effect on postal services, (2) the impact upon the Forest community, and (3) the calculation of economic savings expected to result from

discontinuing the Forest Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Forest Post Office should be affirmed.

Background

The Final Determination To Close the Forest, LA Post Office and Continue to Provide Service by Rural Route Service ("Final Determination" or "FD"), as well as the administrative record, indicate that the Forest Post Office provides EAS-11 level service to 121 Post Office Box customers and retail customers, 40 hours per week. FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.² The postmaster of the Forest Post Office retired on April 1, 2009. Since the postmaster vacancy, an officer-in-charge (OIC) has been installed to operate the offices. Upon implementation of the final determination, the noncareer OIC may be separated from the Postal Service; however attempts will be made to reassign the employee to a nearby facility.³ The average number of daily retail window transactions at the Forest Post Office is 31, accounting for 36 minutes of retail workload daily. Although revenue has fluctuated for the past three years, there has been a downward

¹ See 39 U.S.C. 404(d)(2)(A).

² The Final Determination can be found at Item No. 47 in the Administrative Record. All citations to the Final Determination will be to "FD at ____," Rather than to Item 47. The FD is not paginated however the Round-date cover sheets will serve as page number 1. Other Items in the administrative record are referred to as "Item No. ____."

³ FD, at 7; Item No. 33, Proposal, at 6; Item No. 41, Revised Proposal, at 6.

trend: \$20,335 in FY 2008 (53 revenue units); \$18,642.00 in FY 2009 (49 revenue units); and \$19,416.00 in FY 2010 (51 Revenue units).⁴ The Forest Post Office has one permit customer.⁵

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Oak Grove Post Office, an EAS-18 level office located five miles away, which has 436 available Post Office Boxes that are accessible 24 hours per day.⁶

All issues raised by the customers of the Forest Post Office were considered and properly addressed by the Postal Service. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to delivery customers of the Forest Post Office. Questionnaires were also available over the counter for retail customers at Forest. FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Forest Post Office, at 1. A letter from the Manager of Post Office Operations, New Orleans, LA, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Forest Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Oak Grove Post Office. The letter invited customers to complete and return a customer questionnaire and to

⁴FD, at 2; Item No. 18 Post Office Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

⁵FD at 2; Item No. 18, Post Office Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

⁶FD at 2; Item No. 18, Post Office Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2;

express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Forest Baptist Church for a community meeting on June 16, 2010,⁷ to answer questions and provide information to customers. FD at 2; Item No. 26, Community Meeting Letter, at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. The Proposal was posted with an invitation for public comment at the Forest Post Office and the Oak Grove Post Office from June 30, 2011 to August 31, 2011. FD, at 2; Item No. 33, Proposal, at 1.⁸ The Final Determination was posted at the Forest Post Office starting on September 29, 2011, as confirmed by the round-dated Final Determination cover sheet that appears in the administrative record.

In light of a postmaster vacancy, minimal workload, low office revenue,⁹ the variety of delivery and retail options (including the convenience of rural delivery and retail service),¹⁰ very little recent growth in the area,¹¹ minimal impact upon the community, and the expected financial savings,¹² the Postal Service issued the Final

⁷ The discontinuance of the Forest, LA Post Office was processed under former Handbook PO-101.

⁸ A copy of the round-date stamped Proposal and Invitation for Comments posted at the Oak Grove Post Office was not included in the Administrative Record filed on November 2, 2011. These documents are being filed with the Commission under separate cover.

⁹ See note 4 and accompanying text,

¹⁰ FD, at 2-7; Item No. 33, Proposal, at 2-5; Item No. 41, Revised Proposal, at 2-5.

¹¹ Item No. 16, Community Survey Sheet.

¹² FD, at 5; Item No. 17, Cost Analysis; Item No. 18, Fact Sheet, at 1; Item No. 29, Proposal Checklist, at 2; Item No. 41, Proposal, at 6.

Determination.¹³ Regular and effective postal services will continue to be provided to the Forest community in a cost-effective manner upon implementation of the final determination. FD at 4; Item No. 33, Proposal, at 4; Item No.41, Revised Proposal, at 4.

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Forest Post Office on postal services provided to Forest customers. The closing is premised upon providing regular and effective postal services to Forest customers.

Petitioners raise the issue of the effect on postal services of the Forest Post Office's closing, noting the convenience of the Forest Post Office and requesting its retention. Petitioner Whorton expresses particular concern about the accessibility of postal services to senior citizens, minorities, and disabled customers. Additionally, Petitioner Driver mentions that she is the mother of a child with special needs, which will make it extremely difficult for her to travel to another Post Office to obtain services.

These concerns were considered by the Postal Service. FD at 2-5; Item No. 33, Proposal, at 2-5; Item No. 41, Revised Proposal, at 2-5. Upon the implementation of the Final Determination, services provided at the Post Office will also be available from the carrier, and customers will not have to travel to another Post Office for service. FD at 3; Item No. 33, Proposal, at 2; Item 41, Revised Proposal, at 2. The rural carrier

¹³ FD, at 2-7.

provides most retail services that are available at the Post Office, such as the sale of stamps, envelopes, postal cards, and money orders. Special services such as Certified, Registered, Express Mail, Delivery Confirmation, Signature Confirmation, and COD may also be obtained from the carrier by leaving a note in the mailbox, along with the appropriate payment. Item No. 21, Customer Questionnaire Enclosures, at 4. Moreover, most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order Application forms are available for customer convenience. Stamps are also available at many stores and gas stations where customers may already shop, online at usps.com, or by calling 1-800-STAMP-24. FD at 3; Item No. 41, Revised Proposal, at 2.

The Postal Service further explained that carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes. FD at 3; Item No. 33 Proposal, at 3, Item No. 41, Revised Proposal, at 3. Customers do not have to make a special trip to the Post Office for service and will have 24-hour access to their mail. FD at 4; Item no. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5.¹⁴ Additionally, in hardship cases, delivery can be made to the home of the customer. FD at 3, Item No. 41, Revised Proposal, at 3.¹⁵

¹⁴ Petitioner Whorton raises the concern of traveling to Oak Grove Post Office on a daily basis given the fact that it is 5 miles away (10 miles round trip) and gas prices are over \$3.00 a gallon. The Postal Service explained, however, that rural service alleviates the need for customers to travel to a Post Office to check their mail because retail and delivery services are provided by the carrier.

¹⁵ Petitioner Driver mentions in her letter of appeal that she has a child who has special needs, and will need to make provision for someone to watch her son in order to retrieve her mail. As stated in the record, special provisions can be made for hardship cases or special customer needs. To request an exception for hardship delivery, customers may contact the postmaster for more information. FD at 3,

Petitioners express concern about erecting rural mailboxes in front of their homes given the area in which they live. According to Petitioner Whorton, the large farm equipment used by farmers tends to knock down rural mailboxes as they pass them. The Postal Service explained that customers are not required to erect rural mailboxes. Customers may receive P.O. Box service from the Oak Grove Post Office located five miles away which has 436 post office boxes available with 24 hour access. FD at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. Additionally, customers may contact their local magistrate or other county official to determine what steps need to be taken to bring their road up to standards in order to minimize potential damage to mailboxes. FD at 2; Item No. 25, Community Meeting Analysis, at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

With respect to the Petitioners' concerns about mail security, the Postal Service advised customers that they may place a lock on their mailboxes. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 3; Item 33, Proposal, at 3; Item 41, Revised Proposal, at 3. The Postal Service also sent a questionnaire to the Postal Inspection service concerning mail theft and vandalism in the suspended Post Office area. Their records indicate only one report of mail theft or vandalism in the area. Item No. 14, Inspection Service/local law enforcement vandalism reports. As such, there appears to be minimal risk that security of the customers' mail will be impacted by the closing of the Forest Post Office.

Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3.

The Postal Service has considered the impact of closing the Forest Post Office upon the provision of postal services to Forest customers. Rural route delivery to mailboxes installed on the carrier's line of travel provides similar access to retail service, alleviating the need to travel to the Post Office. FD at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5. Thus, the Postal Service has properly concluded that all Forest customers will continue to receive regular and effective service via rural route delivery to mailboxes installed on the carrier's line of travel.

Effect Upon the Forest Community

The Postal Service is obligated to consider the effect of its decision to close the Forest Post Office upon the Forest community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

Forest is an unincorporated rural community located in West Carroll County. The Forest Police Department provides police protection. The community is administered politically by Village of Forest, with fire protection provided by the Forest Fire Department. The questionnaires completed by Forest customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Forest must travel elsewhere for other supplies and services. See generally FD at 5; Item No. 22, Returned customer questionnaires and Postal Service response letters, 1-23.

Petitioner Wharton contends that the Postal Service does not take into account the impact on senior citizens, minority groups and low paid workers. The Postal Service is required to provide service to customers regardless of its demographics on a regular and effective basis. In this case, the Postal Service took account of the postal and nonpostal needs of the community and determined that the proposed alternative will ensure the provision of effective and regular service.

The Petitioners state that the Forest Post Office is the cornerstone of their community and if it is discontinued they will lose their identity. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. FD at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal at 5. The Postal Service is helping to preserve community identity by continuing the use of the community name and ZIP Code in addresses. FD at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5. Communities generally require regular and effective postal services and these will continue to be provided to the Forest community.

In addition, the Postal Service has concluded that nonpostal services provided by the Forest Post Office can be provided by the Oak Grove Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Forest Post Office on the community served by the Forest Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Forest Post Office and would still provide regular and effective service. Item No. 21, Letter to Customer, at 1. The estimated annual savings associated with discontinuing the Forest Post Office are \$74,542.00. FD at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5.

Petitioner Whorton states that the Postal Service will only save small fraction of its operational budget by closing small and rural Post Offices. The Postal Service explained, however, that Post Offices are reviewed on a case-by-case basis. FD at 3-4; Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3. When there is a vacancy in a small office, it is customary to conduct a study of the business activity and investigate the feasibility of providing service by alternative means. FD at 3-4; Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3. The Postal Service has developed and begun implementing a wide range of cost-reducing initiatives. These include: consolidating operations, adjusting delivery routes, restructuring administrative and processing functions and closing district offices. FD at 3; Item No. 33, Proposal, at

3; Item No. 41, Revised Proposal, at 3. While the savings from any individual initiative alone may seem minimal, collectively these savings contribute greatly to the overall sustainability of the Postal Service. Thus, in the long run, these savings will help the Postal Service continue as a sustainable enterprise. See FD at 4; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5.

Petitioner Driver contends in her appeal letter that the Postal Service can save money by eliminating advertising in lieu of discontinuing Post Offices. However, the Postal Service is only responsible for formulating a specific proposal and evaluating it in the context of Title 39, U.S. Code, and applicable regulations. In this case, the Postal Service has determined that carrier service, coupled with service at nearby Post Offices, is a reasonable solution that will yield economic savings and satisfy the applicable requirements of Title 39 and implementing regulations. In so doing, the Postal Service is not required to evaluate and reject alternative proposals for cost reduction.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 5; Item No. 33, Proposal, at 5; Item No. 41, Revised Proposal, at 5.

The Postal Service determined that carrier service is more cost-effective than maintaining the Forest postal facility and postmaster position. FD at 5. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the

economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster retired on April 1, 2009. A noncareer employee was installed as the temporary officer-in-charge (OIC). The noncareer postmaster relief (PMR) serving as the OIC may be separated from the Postal Service, however attempts will be made to reassign the employee to a nearby facility. The record shows that no other employee would be affected by this closing. FD, at 2, 5, 7; Item No. 15, Post Office Survey Sheet, at 1; Item No. 33, Proposal, at 2, 6; Item No. 41, Revised Proposal, at 2 and 6. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Forest Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Forest Post Office on the provision of postal services and on the Forest community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to

provide effective and regular service to Forest customers. FD at 5. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Forest Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Forest Post Office be affirmed.

Respectfully submitted,

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